

## December 9, 2004 Commission Meeting Summary

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### **ITEM #**

1. **Public Comment.** *None received.*

### **CONSENT ITEMS**

2. **Approval of the November 4, 2004, Commission Meeting Minutes.** *Approved.*

### **ENFORCEMENT**

#### **Sending a Mass Mailing at Public Expense**

3. **In the Matter of the City of Inglewood, FPPC No. 01/112.** Staff: Senior Commission Counsel Julia Bilaver and Investigator III Leon Nurse-Williams. Respondent City of Inglewood sent ten mass mailings at public expense that impermissibly featured various elected city officials, in violation of Government Code section 89001 (10 counts).  
*Approved; \$50,000 fine.*

#### **Reporting/Gift Limit Violation**

4. **In the Matter of Frank Aiello, FPPC No. 02/427.** Staff: Senior Commission Counsel Julia Bilaver and Investigator III Leon Nurse-Williams. As a member of the Pittsburgh City Council, Respondent failed to disclose the source of a gift on four separate statements of economic interests, in violation of Government Code section 87207 (4 counts), and accepted two gifts in excess of the annual gift limit, in violation of Government Code section 89503, subdivision (a) (2 counts). *Approved; \$20,000 fine.*

#### **Campaign Reporting Violations**

5. **In the Matter of Louis Byrd, Committee to Elect Louis Byrd, Ianthe Byrd and Shirley Byrd, FPPC No: 02/189.** Staff: Commission Counsel Steven Meinrath and Investigator III Sandra Buckner. Respondent Louis Byrd is Mayor of the City of Lynwood. Respondent Committee to Elect Louis Byrd is the controlled committee of Respondent Byrd. Respondents Ianthe Byrd and Shirley Byrd were the treasurers of Respondent Committee. Respondents Louis Byrd, Committee to Elect Louis Byrd, and Ianthe Byrd made campaign expenditures from a source other than the campaign bank account, in violation of Government Code section 85201 (1 count); Respondents Louis Byrd, Committee to Elect Louis Byrd, and Shirley Byrd failed to disclose required occupation and employer information regarding contributors, in violation of Government Code section 84211, subdivision (f) (3 counts), and failed to disclose a late contribution in a properly filed late

contribution report, in violation of Government Code section 84203 (1 count). ***Approved; \$18,000 fine.***

- 6. In the Matter of Jerry Rindone, Jerry Rindone for City Council, and Sandra Hodge, FPPC No. 01/596.** Staff: Commission Counsel Jeffery A. Sly and Investigator III Sandra Buckner. Respondent Jerry Rindone was a successful candidate for a seat on the Chula Vista City Council during the 2000 general election. Respondent Sandra Hodge was the treasurer of Respondent Rindone's controlled committee, Jerry Rindone for City Council. Respondents received six cash contributions of \$250, totaling \$1,500, in violation of Government Code section 84300, subdivision (a) (1 count). ***Approved; \$1,800 fine.***

#### **Campaign Money Laundering Violation**

- 7. In the Matter of Lisa Ross-Woolson, FPPC No. 04/177.** Staff: Senior Commission Counsel Deanne Canar and Supervising Investigator Dennis Pellón. Respondent Lisa Ross-Woolson, also known as Lisa Ross, is a self-employed media consultant in San Diego. In September 2003, the Commission issued a Default Decision and Order in the *Matter of Colin Flaherty*, FPPC No. 99/783, imposing an administrative penalty of \$76,000 on Flaherty for, among other things, thirty-six violations of Government Code section 84301, commonly referred to as "campaign money laundering." Respondent Ross made five contributions on behalf of Flaherty, for which she was reimbursed, without disclosing to the recipients of the contributions that Flaherty was the true source of the contributions and other required information, in violation of Government Code section 84302 (5 counts). ***Approved; \$7,500 fine.***

#### **Conflicts of Interest and SEI Disclosure Violation**

- 8. In the Matter of Larry C. Wahl, FPPC No. 99/097.** Staff: Senior Commission Counsel Deanne Canar and Investigator III Sandra Buckner. Respondent Larry C. Wahl, a former member of the Planning Commission for the City of Chico, and currently a member of the Chico City Council, failed to disqualify himself from making planning commission decisions involving local developers that had each contributed in excess of \$250 to his city council campaign during the preceding 12 months, and failed to disclose his receipt of the campaign contributions on the record of the proceedings in which those decisions were made, in violation of Government Code section 84308 (4 counts). Respondent Wahl also failed to fully disclose his reportable economic interests on three consecutive annual statements of economic interests, from 1997 through 1999, in violation of Government Code sections 87203 and 87206 (3 counts). ***Approved; \$12,000 fine.***

#### **Major Donor - Streamlined Program**

- 9. Failure to Timely File Major Donor Campaign Statements.** Staff: Chief Investigator Sue Straine, Investigator III Jon Wroten, and Political Reform Consultant Mary Ann Kvasager. The following persons and entities have entered into stipulations for failing to file major donor campaign statements that were due for the calendar year 2002, in violation of Government Code section 84200:

- a. **In the Matter of Bohn & Bohn, Robert H. Bohn Jr., and Robert H Bohn, FPPC No. 03/835.** Bohn & Bohn, Robert H. Bohn Jr., Robert H Bohn of San Jose, California failed to timely disclose contributions totaling \$10,000 (1 count). *Approved; \$1,500 fine.*

#### **Statement of Economic Interests – Streamlined Program**

**10. Failure to Timely File Statements of Economic Interests.** Staff: Commission Counsel Jeffery A. Sly and Political Reform Consultant Linda Denly. The following persons have entered into stipulations for failing to timely file statements of economic interests, in violation of Government Code sections 87202, 87203, 87204 or 87300.

- a. **In the Matter of Luis Pulido, FPPC No. 04/599.** Luis Pulido, a member of the 32nd District Agricultural Association Orange County Fair, failed to timely file a 2003 annual statement of economic interests, in violation of Government Code section 87203 (1count). *Approved; \$100 fine.*
- b. **In the Matter of Robert Hattoy, FPPC No. 04/423.** Robert Hattoy, a Commissioner for the State of California Department of Fish and Game, failed to timely file a 2003 annual statement of economic interests, in violation of Government Code section 87300 (1 count). *Approved; \$100 fine.*
- c. **In the Matter of Russell Stewart, FPPC File No. 04/497.** Russell Stewart, a Planning Commissioner for the City of Coalinga, failed to timely file a 2003 annual statement of economic interests, in violation of Government Code section 87203 (1 count). *Approved; \$100 fine.*
- d. **In the Matter of Ralph Morrow, FPPC File No. 04/348.** Ralph Morrow, Mayor of the City of Avalon, failed to timely file a 2003 annual statement of economic interests, in violation of Government Code section 87203 (1 count). *Approved; \$100 fine.*
- e. **In the Matter of James Langhorne, FPPC File No. 04/332.** James Langhorne, a member of the Santa Barbara City Building and Fire Code Board of Appeals, failed to timely file a 2003 annual statement of economic interests, in violation of Government Code section 87300 (1 count). *Approved; \$100 fine.*
- f. **In the Matter of Robert Boileau, FPPC No. 03/648.** Robert Boileau, a member of the California Uniform Construction Cost Accounting Commission, failed to timely file a 2002 annual statement of economic interests, in violation of Government Code section 87300 (1 count). *Approved; \$250 fine.*
- g. **In the Matter of Ariane Terlet, FPPC No. 03/860.** Ariane Terlet, a member of the Dental Examiners Board for the California Department of Consumer Affairs, failed to

timely file a 2002 annual statement of economic interests, in violation of Government Code section 87300 (1 count). *Approved; \$500 fine.*

## **ITEMS REMOVED FROM CONSENT**

## **ACTION ITEMS**

### **Adoption of Regulations**

- 11. Domestic Partnerships – Adoption of Proposed Regulation 18229.** Staff: Commission Counsel Natalie Bocanegra. The Commission will consider codification of the *Roberts* opinion, in which the Commission interpreted the term “spouse” to include a registered domestic partner for purposes of the Political Reform Act. New law amending the Family Code (Assembly Bill 205), which will take effect January 1, 2005, prompted analysis of this issue. (Ch. 421, Stats. 2003). *The Commission adopted an alternative version of the regulation.*
- 12. Biennial Gift Limit Adjustment. Adoption of Amendments to Regulations 18703.4, 18730, 18940.2, 18942.1 and 18943.** Staff: Hal Dasinger, Political Reform Consultant, Technical Assistance Division. The proposed amendments reflect the adjustment of the gift limit from \$340 to \$360 for the period January 1, 2005, through December 31, 2006. Other clarifying amendments to regulation 18730 are also proposed. *The amendments were adopted with additional minor revisions to regulation 18730.*
- 13. Cost of Living Adjustment for Campaign Contribution Limits and Voluntary Expenditure Ceilings. Adoption of Amendments to Regulation 18545.** Staff: Hal Dasinger, Political Reform Consultant, Technical Assistance Division. The proposed amendments to regulation 18545 reflect the adjusted contribution and voluntary expenditure limits for state candidates and committees for the period January 1, 2005, through December 31, 2005. *Adopted.*

### **Approval of Forms and Manuals**

- 14. Approval of Revised Statement of Economic Interests Forms and Instructions for 2004/05.** Staff: Carla Wardlow, Chief, Technical Assistance Division. Staff will request approval of the 2004/05 Statement of Economic Interests (Form 700); Form 700 Certification; Statement of Economic Interests for Auditors, Claims Managers/Adjusters (Form 700-A); and the Statement of Economic Interests for Principal Investigators (Form 700-U). *Approved.*
- 15. Approval of Revised Campaign Disclosure Forms for 2005.** Staff: Carla Wardlow, Chief, Technical Assistance Division. Staff will request approval of revisions to campaign disclosure forms 501, 400, 401, 402, 410, 450, 460, 461, 465, 470, 495, 496, 497 and 498. *Approved.*

- 16. Approval of Filing Officer Guidelines for Statements of Economic Interests (Form 700).** Staff: Carla Wardlow, Chief, Technical Assistance Division and Luisa Menchaca, General Counsel. In December 2003 the Commission directed staff to prepare written guidelines for filing officers for statements of economic interests (Form 700). The proposed guidelines will be presented for Commission approval. *Approved with revisions.*

### **Regulatory Calendar**

- 17. Approval of 2005 Regulatory Priorities.** Staff: General Counsel Luisa Menchaca and Assistant General Counsel John W. Wallace. Staff presents the proposed regulatory calendar for 2005 for final approval. *Approved.*

### **Legislation**

- 18. Legislative Proposals for 2005.** Staff: Executive Director Mark Krausse. *Approved.*

### **DISCUSSION ITEMS**

- 19. Executive Director's Report.** Staff: Executive Director Mark Krausse. *Accepted..*
- 20. Litigation Report.** Staff: General Counsel Luisa Menchaca and Senior Commission Counsel Larry Woodlock. *Accepted.*